



Higher Education State Policy Issues for 2019

by the AASCU Government Relations and Policy Analysis Division

Introduction

Public college and university leaders will enter a more optimistic state policy landscape in 2019, stemming from strong state revenue forecasts and a new class of political leaders who campaigned on proposals to expand college access, enhance college affordability and address workforce development needs. However, intense competition for state resources, continued concern over appropriate policy responses to state demographic shifts, and growing anxiety over market volatility and the prospect of an economic downturn will temper this optimism. While budget shortfalls stemming from a national recession dominated the narratives of most legislative sessions earlier in the decade, state-specific economic and political issues will be hallmarks of 2019 sessions.

Public higher education will face immediate political changes in 2019, as 20 states have a new governor taking office following the 2018 midterm elections. These new chief executives will chart the direction of state higher education into the next decade through their budgetary priorities, policy initiatives and governing board appointments. They will negotiate their policy agenda with a new class of state legislators, as one-in-five legislators—1,650 in total—will be in their first term in office.¹ There will also be new state attorneys general in over a dozen states; attorneys general have been more active on matters affecting public colleges and universities in recent years. For higher education advocates, the substantial number of new faces in state government will require a redoubling of efforts to build relationships and share information on the numerous challenges and opportunities confronting public colleges and universities.

This class of lawmakers will have a more progressive political orientation. Following substantial GOP gains in the 2010 and 2014 midterm elections, and more modest gains in the 2016 presidential-year election, GOP power in the states stood at its highest point in nearly a century.² In the 2018 election, however, Democrats won a net gain of seven governorships and flipped a total of 330 legislative seats.³ Democratic gains in governors' offices and legislative seats could provide new momentum on progressive priorities, such as extending in-state tuition and financial aid to undocumented and Deferred Action for Childhood Arrivals (DACA) students, while providing new votes to block measures such as those stripping college campuses and systems of higher education of their authority to set campus weapons policy. These gains will also fortify against state-level austerity agendas that could lead to cuts to state programs, including to public higher education.

Despite Democratic gains, the political picture varies greatly from state to state, and one-party rule will remain the norm rather than the exception. In January 2019, 37 of the 50 states will have one-party control of both the governorship and legislature.⁴ Only one state, Minnesota, will have control of its legislative chambers split between Democrats and Republicans. The growth of one-party state rule could intensify the differences among the states on higher education policy. In addition, one-party dominance allows policy measures to swiftly move through the policy process, with limited opportunities for the minority party to alter or defeat the legislation.

Beyond politics, state budget outlooks will be of fundamental importance to public higher education leaders. Recent reports have signaled improving state fiscal conditions and the best overall state revenue picture in the post-recession era. Budget forecasts in individual states, however, will vary from deficits to healthy surpluses. Public colleges and universities will compete for funds amid calls for raising teacher pay, upgrading aging infrastructure, shoring up struggling state pension systems and investing in public safety.

On policy matters, numerous other state issues will compete with higher education for legislators' attention in 2019. These include expanding Medicaid, regulating sports betting, improving K-12 outcomes, developing solutions to the opioid epidemic, addressing cybersecurity challenges, and aligning state tax policies to the 2017 federal tax law. In many states, these issues will take priority over higher education in legislative discussions.

Lastly, the political shift in Washington will reverberate throughout statehouses. Democratic control of the House of Representatives brings divided government back to Capitol Hill, but divided government could lead to deeper legislative gridlock and brinksmanship on the federal budget. Because budgets and policies at the state level are complexly intertwined with the fate of federal budgets and policies, dysfunction emanating from Washington could have significant effects on states. For higher education, the direction on matters such as immigration and the reauthorization of the Higher Education Act (HEA) could also shift in the 116th Congress and lead to state-level policy changes.

This paper will explore the most prominent state higher education policy issues for 2019. Now in its 12th year, this analysis includes a mix of new issues, such as the growth of state free college programs, and longstanding issues, such as college affordability and immigration. Statements from governors, gubernatorial campaigns and state legislative leaders, along with economic forecasts, policy briefs and news articles from recent months, informed the analysis.

#1 Federal Policy

For the second year in a row, federal policy is the most prominent state higher education policy issue of 2019. Both directly and indirectly, the federal government exerts considerable influence on state policymaking, and the new political dynamics in Washington will affect higher education policymaking. This spans four broad areas that affect states: the federal budget, federal regulations, court rulings and legislative policy priorities. This paper will discuss other state-federal issues, such as immigration, in subsequent sections.

For the past two fiscal years, the federal government has operated under a budgetary framework that lifted discretionary budget caps and provided robust new spending on both domestic and military priorities. However, the return of budget caps, growing concerns about the federal deficit, increased economic anxiety and vast disparities in policy and funding preferences between the two parties will make budget and spending negotiations difficult in 2019 and could lead to deeper legislative gridlock and extended shutdowns. The return of divided federal government not only creates gridlock because neither party believes it will receive credit for moving legislation or blame for stopping bills, it also increases the likelihood of brinksmanship on must-pass legislation—specifically budget bills—leading to stop-and-go funding and possible federal government shutdowns. The ability—or inability—of federal lawmakers to pass a budget will affect state economies and possibly disrupt the increasingly interdependent higher education financing relationship between the federal government and states.

Outside the federal budget, federal regulatory matters will also affect states and higher education policymaking. The U.S. Department of Education (ED) announced in summer 2018 its intention to pursue an ambitious negotiated rulemaking agenda that will examine a host of issues affecting states and their higher education priorities, including state authorization requirements for distance education, clarification of roles within the regulatory triad, and a wide array of new eligibility criteria pertaining to

Title IV financial aid. Collectively, state laws may need a host of changes to comply with the new federal regulatory framework.

Changes in federal law through court rulings pertaining to the Affordable Care Act (ACA), student loan servicing, taxation of online retailers and sports betting could also have substantial direct and indirect ramifications for state higher education policymaking. The recent federal ruling declaring the ACA unconstitutional brings new uncertainty to the future of the Medicaid expansion. The federal government chiefly funds the Medicaid expansion, authorized under the ACA and approved in 36 states and the District of Columbia. The states, however, could have to pick up a larger share of health care costs if the ACA is significantly modified or discontinued. On student loan servicing, the Trump administration has objected to states attempting to regulate student loan servicers, arguing in court cases that oversight of loan servicers falls under the purview of the federal government. Regarding online retailers, the 2018 *Wayfair* decision from the U.S. Supreme Court, which ended a decades-old exemption from state sales tax for online retailers without a sufficient physical presence in a state, could lead to substantially more revenue for states and their institutions of higher education. Lastly, the U.S. Supreme Court's 2018 move to lift the ban on sports betting could also lead to increased state revenues.⁵

Lastly, federal legislative priorities on issues affecting public colleges and universities could have a wide range of intended and unintended consequences for state policymaking in 2019. House and Senate legislative committees will continue to pursue a reauthorization of the HEA, but the enactment of a new HEA remains unlikely with conflicting visions of federal higher education policy dividing the House and Senate committee chairs. Likewise, large-scale changes to the nation's immigration laws would affect state policy, but vast policy differences between the two parties will make passing a comprehensive immigration policy overhaul extremely challenging in 2019.

#2 The Economy

The stability of the American economy will undoubtedly affect state higher education policy in 2019. The health of the economy will affect not only state budget revenue but also student enrollment numbers, endowment growth and demand on state financial aid programs. Ten years after the worst economic crisis since the Great Depression, economic indices show a strengthening national economic picture. Unemployment hit a 50-year low in late 2018 at 3.7 percent, and Gross Domestic Product (GDP) grew by a healthy 4.2 percent and 3.4 percent in the second and third quarters of 2018, respectively.⁶ Inflation is low, and retail sales continue to post strong numbers. Consumer confidence hit its highest level since 2000 in October, but weakened somewhat due to market volatility and other factors in the latter part of the year.⁷

Leading national and international organizations predict the pace of national economic growth to slow in 2019. In September 2018, the Federal Reserve forecasted a 3.1 percent growth in GDP in 2018, followed by 2.5 percent and 2 percent growth in 2019 and 2020, respectively. Unemployment, according to the Federal Reserve, will decline to 3.5 percent for the next two years.⁸ Likewise, the Congressional Budget Office (CBO) predicted in August 2018 that GDP would grow by 3.1 percent in 2018 and 2.4 percent in 2019.⁹ The chief economist at the International Monetary Fund (IMF) made a similar prediction to the Federal Reserve and CBO, with slower growth predicted in 2019 and a sharper downturn in GDP growth forecasted for 2020.¹⁰

Others, however, see a more troubling economic picture fueled by political uncertainty in Washington, concerns over a trade war with China, fading stimulus effects from the 2017 tax law, and a period of economic expansion that has run its natural course. Other indicators, such as plunging oil prices, could also portend economic decline in 2019 and into 2020.¹¹ While economic shifts will not immediately affect state budgets, they could lead to more cautious budgeting from state leaders.

Despite national forecasts and overarching political and economic dynamics, the health of regional and state economies can differ significantly from the national picture. Unemployment rates, for example, range from 2.4 percent in Hawaii to 6.3 percent in Alaska.¹² There are also significant economic disparities within states. As top economic drivers for regions and states, public higher education leaders will continue to look for opportunities to build and strengthen economies through providing affordable access to education and training, fostering partnerships between the public and private sectors, producing graduates with essential job skills, and attracting businesses by improving the quality of life in communities.

#3 State Budgets and College Affordability

State budgets and college affordability are intertwined with the economy's health. Public colleges and universities rely on state appropriations to provide broad access to high-quality, affordable college opportunities. As a discretionary item in state budgets, higher education is often one of the first items to be cut in lean budget cycles and tends to receive more funding during more prosperous periods. However, state appropriations have failed to keep pace with enrollment growth over the past several decades, leading to higher tuition prices for students.

Overall, state budgets usher in some optimism for 2019. According to a December 2018 report from the National Association of State Budget Officers (NASBO), enacted budgets for the current fiscal year increased higher education spending by \$3 billion, a marked improvement from the \$1.3 billion increase in the prior fiscal year. State budgets increased spending overall; 44 of the 50 states increased general fund spending for the current fiscal year, and 20 states boosted spending by over 4 percent. Early revenue numbers for fiscal 2019 have been at or above forecasts in most states, according to NASBO.¹³ A report from Moody's in December 2018 also provides a positive forecast on state funding, with a prediction of moderate increases in state spending for higher education in 2019, in the range of 2.5 to 3 percent.¹⁴

While the short-term trends are optimistic, higher education must still contend with funding for state employee pension and healthcare obligations, K-12 education and aging infrastructure, among other budget items. It also remains unclear how much of budgetary improvement is a one-time bump attributable to federal tax law changes in late 2017 and how much was from regular state economic activities.

In addition, the national outlook obscures differences among the states. According to *Grapevine* state appropriations data from the previous budget cycle, changes in state spending on higher education ranged from -14.6 percent to 11.3 percent. Over the past five fiscal years, changes in state funding for higher education ranged from -20.6 percent to 52.3 percent.¹⁵ The upcoming legislative sessions will include deficits and structural budget challenges in some states, including Alaska, Connecticut, Illinois, Pennsylvania and Rhode Island. In other states, such as Oregon, new funding for higher education will depend on state legislators approving tax increases.¹⁶

New state revenue provides leverage for governors and legislators to negotiate tuition freezes or tuition increase caps. This has kept tuition increases relatively moderate in recent years. According to the College Board's *Trends in College Pricing*, average in-state tuition and fees at public four-year colleges and universities increased 2.5 percent, or \$250, from 2017-18 to 2018-19 before adjusting for inflation. At public two-year colleges, the average in-state rate increased by 2.8 percent, or \$100.¹⁷ The moderate tuition increases are likely to continue into 2019, as many governors taking office and those currently in office have made college affordability a core component of their education agenda.

While tempered tuition increases are a positive development for students and families, there are consequences to limiting new tuition revenue if the state does not provide sufficient funding increases. Moody's provided a "negative" outlook for higher education in 2019, driven by rising costs—primarily labor—that outpace revenue growth. Moody's also noted that investments in academic programs, housing and technology remain essential to institutional

competitiveness in the marketplace but also contribute to rising costs. Limited new revenue combined with growing costs will make cost containment a key goal for campus leaders in 2019.¹⁸

College affordability, however, goes well beyond tuition and fee rates. Tuition and fees, on average, remain less than half of the price of attending most in-state public colleges and universities. As a result, there have been other announcements by state leaders on college affordability initiatives that will garner headlines in 2019. In Virginia, for example, Gov. Ralph Northam promised to boost funding for state financial aid.¹⁹ New Jersey legislators, meanwhile, are weighing a series of measures addressing food insecurity on college campuses.²⁰ Discussion regarding costs beyond tuition and fees and meeting students' basic needs have increased in recent years, and more legislation will likely be filed in 2019.

#4 Demographic Shifts

Addressing demographic shifts remains a top-tier concern for higher education leaders and state elected officials. Nationally, enrollment at public four-year colleges and universities has been relatively flat in recent years, while enrollment at public two-year colleges has decreased.²¹ A healthy economy remains a key factor in student enrollment, as fewer students on average enroll in college when unemployment rates are low. These statistics, however, mask wide regional disparities and long-term trends. In some regions of the country, particularly rural areas of the Northeast and Midwest, demographic forecasts indicate steep drops in the number of high school graduates in the coming years. According to the Western Interstate Commission for Higher Education's (WICHE) 2016 *Knocking on the College Door* report, the numbers of high school graduates in the Midwest and Northeast peaked in 2010 and will be in a downward trajectory into the 2030s. Nationwide, the number of high school graduates will peak in 2025, only to return to 2007-08 levels by the early 2030s.²²

Institutions and state systems of higher education are positioning themselves to appropriately respond to these demographic trends, with some changes requiring legislative approval and others needing governing board signoff. Campus mergers have been the most visible

response to demographic shifts. In 2018, Wisconsin formally approved mergers of two- and four-year universities, while Connecticut officials agreed to consolidate the state's two-year colleges. Pennsylvania continued discussions about how to best structure its network of public and state-related higher education institutions amid sharp enrollment declines on some campuses. Georgia has led the nation in campus mergers, cutting its number of institutions from 35 to 26 during this decade.²³

Extending in-state tuition rates to out-of-state students is another method to fight declining enrollment. In South Dakota, the state's Board of Regents approved a policy in December 2018 extending in-state tuition to students from six neighboring states.²⁴ North Dakota considered a similar policy, but ultimately pursued a more limited approach involving two institutions.²⁵ Individual campuses in various states have also worked to lower prices for out-of-state students. College leaders in some states have explored other strategies to draw in students, such as offering a new suite of academic programs, but some faculty members, students and lawmakers have resisted these measures. Task force reports and plans to reorganize state higher education systems, along with measures to make campuses more competitive in the marketplace, will likely continue unabated into 2019.

#5 Economic and Workforce Development

Governors and legislators will continue their work to meet state economic and workforce development goals in the year ahead, leveraging higher education to do so. According to years of AASCU analysis of gubernatorial State of the State addresses, governors discuss higher education chiefly in terms of its contribution to state economic and workforce development. Governors and legislators want to help state residents gain access to affordable pathways to college credentials and ultimately to available high-paying jobs in the state. In many cases, this has led to partnerships between K-12 school districts, community and technical colleges, and businesses; free tuition for students pursuing in-demand degrees and credentials; public-private partnerships; loan forgiveness incentives; and

other policy solutions. The volume of state legislation on workforce development remains substantial—the Education Commission of the States (ECS) counted 166 bills in 32 states introduced in 2018 related to workforce development, with 25 bills enacted into law. The bills analyzed by ECS covered a range of categories, including career pathways and skills, financial incentives, partnerships and working groups, and workforce data.²⁶

During the 2018 campaign, gubernatorial candidates made pledges to strengthen ties between higher education and state workforce needs. For example, newly elected Ohio Gov. Mike DeWine stated in his campaign platform that he remains concerned about college graduate underemployment and would like to integrate a measure of student success in the workforce to the state higher education funding formula.²⁷ Incoming Kansas Gov. Laura Kelly plans to promote partnerships between business and institutions of higher education to help businesses find the skilled workers they need.²⁸ Indiana Gov. Eric Holcomb, now entering his third year in office, plans to make workforce development a central part of his 2019 policy agenda.²⁹

Beyond traditional areas of economic and workforce development, combating “brain drain” is a growing issue for state lawmakers, as they remain concerned that students and recent college graduates are flocking to other states. Illinois, for example, approved a merit-based program in 2018 to stem the loss of high-achieving students to other states,³⁰ while some “free college” programs and proposals in recent years have included provisions requiring students to reside in the state for a period following graduation. Economic and workforce development bills, including those related to brain drain, will continue to find their way into legislative agendas this year.

#6 Free College

With the advent of the Tennessee Promise in 2014, the free college movement has gained significant traction in many statehouses. This will continue in 2019. These free college plans are generally limited to tuition costs at public colleges and universities and are usually—with some notable exceptions—limited to the first two

years of college at a community or technical college. Some programs include income caps and provisions that require students to reside in the state following graduation and require students to enroll full time.

These state-level free college programs pay for tuition costs not already covered by the existing patchwork of federal and state financial aid programs (sometimes referred to as “last dollar” programs). While most free college programs may not make college more affordable for students whose tuition is already covered by state and federal programs, “free college” remains a powerful message and strategy to increase the number of students pursuing education and training beyond high school. Currently, Tennessee, Oregon, Maryland, New York, New Jersey and Rhode Island have approved free college programs or pilot programs. Several other states have more limited approaches to free college.

Several new governors, including those in California, Connecticut, Michigan and Minnesota, made statements during their campaigns promising to enact free or “debt-free” college programs for students at community colleges; incoming Illinois Gov. J.B. Pritzker has promised to explore the idea in 2019.³¹ In Hawaii, Gov. David Ige plans to expand the state’s free college program in 2019.³² While Republican Gov. Bill Haslam started the Tennessee program, Democrats have spearheaded many of the free college bills, and growing Democratic power in the states combined with escalating student debt concerns will make free college bills more prevalent on legislative calendars in 2019.

#7 Implementation of the Tax Cuts and Jobs Act

The implementation of the Tax Cuts and Jobs Act (TCJA) will continue to be closely monitored in 2019, as states examine the effects of the federal tax law changes on revenue numbers and explore adjustments to their own tax codes. Because states are tied to the federal tax code in complex and contrasting ways, the effects of tax reform are unique to each state. The TCJA’s increase in the standard deduction and establishment of the personal exemption value at zero,

for example, have important consequences on revenue numbers in many states. In addition, the \$10,000 cap on state and local tax (SALT) deductions will significantly boost the amount some state residents pay in taxes.

The changes brought about by the TCJA will significantly affect higher education policymaking. In Virginia, for example, changes from federal tax reform have been cited as a core driver of the state's budget surplus. Due to the influx in revenue, the governor plans to use some of the surplus to make key investments in higher education.³³ In other states, lawmakers continue to examine how they can legally get around the cap on SALT deductions; the increased tax burden stemming from the federal SALT cap could put more pressure on states to minimize spending, including on higher education. Lastly, the increase in the standard deduction will provide fewer incentives for small-dollar contributors to give to charities, including donating to public college and university foundations. The effect of this change on charitable giving will be monitored in 2019 and could become an issue at the state level if it meaningfully affects institutional finances.

#8 Immigration

Immigration policy has been at the forefront of national debates in Washington in recent weeks, and states will likely continue to discuss matters related to immigration in their 2019 sessions. Bills that provide undocumented students and those with DACA status access to state financial aid and in-state college tuition remain controversial in statehouses. Last year provided a mix of outcomes for these populations in state legislatures and courts, as states such as New Jersey and Connecticut passed measures to make college more affordable, while court rulings in Arizona and Georgia restricted access to the lower in-state tuition rate. According to the National Immigration Law Center, at least 20 states currently extend in-state tuition to undocumented students.³⁴

This year, states could see more benefits for undocumented and DACA students, as Democrats have

traditionally been more inclined to support policies extending college access and affordability to these students. It remains unlikely, however, that Congress and the Trump administration will approve an immigration overhaul extending a path to citizenship for undocumented and DACA students. Federal court activity on immigration will continue in 2019, as a group of Republican state attorneys general have challenged the legality of the DACA program. An overturn of DACA would have significant state-level effects, as some states require students to have at least DACA status to access in-state tuition.

#9 Campus Sexual Assault

State-level efforts to combat campus sexual assault will continue into 2019. Campus sexual assault gained new visibility during the Obama administration, as the administration highlighted the issue and provided regulatory guidance to college campuses that strengthened protections for victims of sexual assault. Under Secretary DeVos, however, the ED has moved to replace the Obama-era guidance with regulations that provide more due process protections for those accused of sexual assault, among other changes. Federal officials will debate the ED's proposed regulations throughout 2019.

States responded to the issue's visibility during the Obama years by introducing their own measures to combat sexual assault on college campuses, such as "yes means yes" affirmative consent requirements, transcript notations to deter those accused of sexual assault from transferring to other campuses, and mandates for campuses to better coordinate investigations of sexual assault allegations with law enforcement. In late 2018, lawmakers in Texas and Vermont filed legislation on this issue for the upcoming 2019 legislative session, and New Jersey lawmakers explored a host of measures on this issue in recent months, including codifying Obama-era guidelines into state law. As the Trump administration pursues its regulatory agenda in 2019 and renews debate on the best way to combat campus sexual assault, state legislators will likely file more legislation.

#10 Political Polarization

Political polarization is not new to state politics, but the growing intensity of political polarization in recent years will inevitably affect policymaking in a variety of ways in 2019. Partisan divides exist on perceptions of higher education, according to a 2017 Pew Research poll.³⁵ In addition, some of the issues affecting higher education, such as immigration, also have deep political fault lines.

Interstate and intrastate political polarization is expected to deepen in 2019. The growth of “trifectas”—one-party control of both the governor’s office and the state legislature—will lead to more polarization among states on policy, as states with either complete Republican or Democratic control will be able to pass partisan legislation with limited resistance. On an intra-state level, the recent “lame duck” legislative sessions in Michigan and Wisconsin—where GOP lawmakers advanced legislation to curtail the incoming gubernatorial administration’s powers—epitomized political polarization. While the efforts ultimately had mixed success, these partisan moves will only make it more difficult for legislative leaders and new governors to find bipartisan solutions to state policy challenges, including those affecting public colleges and universities. Political polarization in Washington and the start of the 2020 presidential primaries will only deepen partisan divides in statehouses this year.

Honorable Mentions

Guns on Campus

In 2019, numerous state lawmakers will likely introduce legislation to allow guns on campus. According to the National Conference of State Legislatures (NCSL), 10 states explicitly allow guns on campus, while the rest of the states either ban weapons through state law or allow campus or system governing bodies to develop their own policies.³⁶ In 2018, lawmakers in at least a dozen states introduced measures to allow guns on campus, with the most activity in conservative states. A West

Virginia legislative leader has already stated his intention to reintroduce a measure allowing guns on campus,³⁷ while Florida advocates of keeping guns off campus are expected to face a more difficult political environment in their efforts to keep public college and university campuses gun-free.³⁸

Free Speech

Conservative state legislators will continue efforts to remove alleged restrictions of free speech on public college and university campuses. However, the increased numbers of Democratic governors and legislators will likely lead to less visibility of this issue in 2019. The “free speech” bills vary from state to state, with some simply restating existing law while others make more meaningful changes, such as directing campus governing bodies to create task forces to monitor free speech and to prescribe new sanctions for students who interfere with the free expression of others. Over the past several years, lawmakers in at least 23 states have introduced free speech bills, with measures enacted in numerous states, including Arizona, Georgia and North Carolina. In a few other states, university governing bodies have discussed the issue and approved new speech and expression policies.

Enhanced Consumer Protections for Student Loan Borrowers

The growth of Democratic governorships and progressive legislatures, along with rising alarm over student debt loads, will likely lead to more bills aimed at enhancing state-level consumer protections for student loan borrowers. At least four states and the District of Columbia have approved new consumer protection measures for student borrowers, according to a May 2018 analysis from the Higher Ed, Not Debt campaign.³⁹ These “Student Loan Bill of Rights” measures include such provisions as creating a student loan ombudsman and requiring loan servicers to obtain a license to operate in the state. Some bills also outline loan servicers’ responsibilities. The ED has objected to these measures, arguing that regulation of student loan servicing is under the purview of the federal government, not the states.

Data and Privacy

The upcoming legislative sessions will continue to discuss the most appropriate state policies for data and privacy protections. According to the Data Quality Campaign, lawmakers in 42 states considered 300 pieces of legislation and 25 states enacted 59 new laws in 2018 related to data collection, linking, use, access and protection. Some of these bills were specific to K-12 education, while others, such as those creating or upgrading State Longitudinal Data Systems (SLDS), include the full spectrum of state education. Some of these bills were specific to higher education, such as a Louisiana bill requiring the state's Board of Regents to provide reports to local educational agencies on their high school graduates' performance in college and a Virginia measure requiring disclosure of post-graduate outcomes disaggregated by degree program and level.⁴⁰

Dual Enrollment

Governors and state legislatures throughout the country continue to favor policies that increase dual enrollment, viewing dual enrollment as a policy solution for reducing college costs, helping students prepare for college and facilitating college completion. Student enrollment in these programs has grown rapidly over the past several years. However, despite the positive effects of dual enrollment, concerns remain regarding the rigor of some of dual enrollment courses. Some other concerns, as articulated in a December 2018 report on dual enrollment in Texas from the American Institutes for Research, include racial and income disparities, costs for students and a lack of resources available for quality student advising.⁴¹ Discussion on how to improve dual enrollment, coupled with policy solutions, will continue in statehouses in 2019.

Conclusion

The 2019 state legislative sessions will be pivotal for public higher education. Improved state budget pictures could lead to substantial reinvestment in public higher education that aids institutional efforts to expand access, improve affordability and maintain quality. Renewed state investment in public higher education remains critical as states continue to pursue ambitious educational attainment goals, work to close equity and achievement gaps and navigate new economic realities.

However, higher education will have to compete with numerous other state budget items for funding in 2019 and for time on legislative calendars with an array of other worthy state issues. In addition, the positive economic news that has been a hallmark of 2018 has increasingly been mixed with growing volatility in the markets and warning signals of a possible slowdown. Uncertainty, polarization and gridlock in Washington could also have significant effects on the state policymaking environment in 2019, and the re-introduction of presidential campaign politics will likely intensify political divides in the year ahead.

Despite the various reasons for confidence or concern in 2019, this year brings fresh opportunities for higher education advocates to make the case for higher education to a new class of lawmakers, many of whom will be in office well into the 2020s. Creating a new class of champions for public colleges and universities in the legislature, gubernatorial administrations, business suites and beyond will help states meet their goals and build an economic foundation for the next generation. Through the day-to-day work of advocacy, state leaders can recognize and prioritize the work of public colleges and universities—helping individuals from all backgrounds gain the knowledge and skills needed to succeed, investing in the development of strong and inclusive communities, and advancing democratic ideals.

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